Presence

G.R.S. IX-5]

Previous references. 1925.

LB 106-24 88229. (LB)

File No. 89-25

Serial Nos. 20122

Later references.

GENERAL AND REVENUE SECRETARIAT

Serial Nos.

Part B for Aug 26.

SUBJECT

Investment of the Sinking fund of the Nanjangud-Chamarajanagar Railway in the several issues of the Mysore Govt. securities yielding 6% interest and more.

22 To. The President, Dist. Bd. Mysore & the Comptroller

No. 811-2/26 3-8-26.

Approves of the resolution of the District Bd. with certain modifications

AS 5-8-26.

Serial No.

20

M

I have

The Pd. Dt Board Mysore with reference to G.O. dated 9.3.1925, requests sanction to the Dt Board's resolution to invest the Sinking Fund of the Nanjangud - Chamarajanagar Railway in the several issues of the Mysore Govt securities yielding 6 per cent interest and more.

The Financial Secretariat may be consulted in the matter

18/6/26

(L.K. Rey) 29

4/6/26

4/6

8/6

(H Smith)

8/6

FINANCIAL SECRETARIAT
JUN. 1926
Fc 3409

3/ When is the loan repayable? Put up copy of the terms. How far does Govt Guarantee extend?

LB
12/6

4/ A copy of the printed prospectus of the Mysore Dt Board Railway Debentures of 1926, furnishing the information asked at para 3 is put up below.

BB
17/6

(H Smith)

BB
17/6

Govt. to be informed
17.6.26

Referred to Financial Secretary
Receipt
17/6

NOTE—Contn. Sheet

WD 01264—GPB—40,000—17-12-28

Serial No.

In the loan notification Ref. is made to a G.O. 22-4-1914 re- Contn to Sinking Funds- Can I have a copy of this? What I want to know is whether the form in which the Sinking Fund Balce is stipulated in the G.O.

B
22/6.

h-B.S.R 23/6

This is not a printed order- The file on the subject is also not available- Vide the requisition slip put up. (A). Subm for orders.

B.S.R 29-6-28

R 3409-25

It would be better for obvious reasons to insist on the money being kept in Govt Savings Bank ~~Further~~ Securities bearing interest above 5% are selling at a premium & the Board may have to incur loss in capital by their purchase

B
30/6

Ful 1) Repayment of the Principal of the Debenture loan is guaranteed by Govt and it is desirable that the sinking fd accumulations be under the control of Govt. The proposal to buy up the Ry loans as & when the bond is available and by the

Je 3407

Serial No.

Sinking fund is a good idea and may be approved.

If Mysore Securities are available at suitable rates, so as to yield higher interest than what can be earned by deposit in the Savings Bank, there can be no objection to this course being adopted - but such sale may not be effected in contravention with the conditions.

Permission to deposit the Sinking Fund amounts in the Mysore Bank does not seem necessary and need not be accorded.

1-7-26

By

Ref para 2 of Minutes.

8/7.

Orders may be issued in accordance with the opinion of the Financial Secretary

8.7.

Or 8/7/26

Je 1/395-13/7

1st Asst.

Submitted. Approved. Issue sanction.

15/7

15.7.

Draft prepared

15/7

A draft Govt order is put up

23/7

Draft

Draft

FINANCIAL SECRETARY
26 JULY 1926
No.

Je 242/26

FINANCIAL SECRETARIAT
26 JUL 1926

NOTE—Contn. Sheet

Serial No.

2242

I have myself on alternate days

h
27.7.26.

First Member

27/7

OFFICE OF THE FIRST MEMBER OF COUNCIL 28 JULY 1926 No. 1075

Draft to Finlay's draft

Dee 29/7

29.7

27/7

22 2o

The President, Ch. Bd. Please the Comptroller to issue No. L. 811-2 of 3-8-26 approving of the resolution of the Bd. referred to in SL(20) with certain modifications.

5. AUG. 1926 LOCAL SELF GOVT. BRANCH

NOTE—Contn. Sheet

5

MYSORE DISTRICT

PROSPECTUS OF THE DISTRICT BOARD RAILWAY DEBENTURE LOAN OF 1924

as approved by Government in their Order No. L. 382-5—L.B. 129-22-15, dated the 18th—22nd July 1924, and L. 4059-60—L.B. 129-22-23, dated he 2nd December 1924.

1. The construction of the Nanjangud-Chamarajanagar Section of the Nanjangud-Erode Metre-gauge line as a Light Feeder Railway (metre-gauge) has been sanctioned in Government Proceedings No. L. 6971-4—L.B. 129-22-2, dated the 9th April 1923. The detailed estimates of the project are under preparation in the Railway Department.

2. The capital cost of this Section of the Railway is now roughly estimated at Rupees Twelve Lakhs. The District Board have resolved to find the cost by raising a Debenture Loan. The proposal of the District Board to finance the scheme has been approved by the Government and this Prospectus is accordingly issued for raising a Debenture Loan of Rupees Eight Lakhs, as sanctioned in Government Order No. L. 4998-500—L.B. 129-22-8, dated the 3rd—4th January 1924, and Government Order No. 8013-6—L.B. 129-22-13, dated the 9th April 1924.

3. The debentures will be issued under the following conditions:—

(i) The Debenture Bonds will be for Rs. 25, Rs. 100, Rs. 500 and Rs. 1,000 each. The loan will bear interest at 7 per cent per annum, which will be payable on the 31st December and 30th June with effect from the date of payment of the money into the Government Treasury and the interest will be subject to the assessment of Income-tax.

(ii) The loan will run for a period of 15 years from the date of the opening of the Railway Line and will then be repayable at par.

(iii) The repayment of the loan and payment of interest are both guaranteed by Government.

4. The District Board of Mysore reserve to themselves the option to redeem the loan or any portion of it at the expiry of the 10th year from the date of issue of the loan, after previous notice of six months to the debenture holders by publication in the *Mysore Gazette*. The debenture to be thus discharged may be selected by lot or otherwise as the Government or the District Board may deem fit; and if the present loan is to be discharged by raising another at a lower rate of interest, the debenture holders of the present loan shall be given the option to take debentures in the new loan.

5. As regards working, recoupment against loss in interest charges, division of surplus profit, creation of a Sinking Fund, etc., the principles laid down in Government Order No. Fl. 4932-81—G.F. 163-13-1, dated the 22nd April 1914, apply to this Railway Line, the interest on the loan being the first charge on the Railway Cess collected in the District.

6. Debentures to the value of Eight Lakhs of rupees are now available for subscription by the public including such of the Municipalities and Local Boards as may decide to invest in the same and application for debentures in the prescribed form hereto annexed together with the first instalment of not less than 12½ per cent of the amount applied for in the case of debentures of Rs. 100 and above and Rs. 5 in the case of debentures of the value of Rs. 25 may be presented at any Government Treasury in the District. Calls for the balance will be made in instalments of not less than the amount specified above spread over two years, at least two months' notice given before each call. On failure to pay the further calls, the amount previously paid up will be liable to be forfeited to the District Board.

7. A discount of one per cent will be allowed on all debentures paid up in full on or before the 11th February 1925, on account of all debentures subscribed by that date.

A. V. RAMANATHAN,
President, District Board of Mysore.

FORM OF APPLICATION.

To

THE PRESIDENT,
DISTRICT BOARD OF MYSORE,
Mysore.

Through

THE TREASURY OFFICER,
Taluk / District Treasury.

SIR,

I request that ..... debenture bonds of the value of Rs. ..... each in the debenture loan raised by the Mysore District Board under Government sanction for the Mysore District Board Railway Project may be registered in my name on the terms mentioned in the prospectus and I herewith remit Rs only being the first instalment towards the above.

I undertake to pay further calls in instalments of not more than 12½ per cent in the case of debentures of the value of Rs. 100 and above and Rs. 5 in the case of debentures of the value of Rs. 25 as mentioned in the prospectus spread over two years.

PLACE .....

Date ..... *Signature of Subscriber.*

ame and address of Subscriber.

Note.—This application must be filled up and signed by the subscriber and presented at the Treasury with duplicate chellans of the usual form. One of the chellans will be returned to the party with the Treasury Officer's acknowledgment. This chellan should be retained and exchanged for the *ad interim* order to be issued later on.

TREASURY OFFICER'S CERTIFICATE.

Certified that I have received from .....
..... the sum of Rs. ..... only being the first instalment paid on account of ..... debentures in the Mysore District Board Railway Project.

PLACE ..... *Treasury Officer,*

Date ..... *Taluk / District Treasury.*

47769

19 8

From

The President,
District Board, Mysore District
Mysore

To

The Secretary to the Government
of H.H. the Maharaja of Mysore
Local & Legislative Departments,
Bangalore

Dated } 12.5.1926
Despatched }

Received

General No. C 1445 LB/25-26
No.

Enclosure No. Two

Requesting sanction to the District Boards resolution in the matter of investment of Sinking Fund of the Nanjangud-Chamaraja nagar Railway

47769

19 6

From

The President,
District Board, Mysore District.
Mysore

To

The Secretary to the Government
of H.H. the Maharaja of Mysore
Local & Legislative Departments,
Bangalore

Dated } 12.5.1926.
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Received

General No. C.1445 LB/25-26
No.

Enclosure No. Two.

Requesting sanction to the District Board's resolution in the matter of investment of Sinking Fund of the Nanjangud-Chamaraja nagar Railway

par or fall below par, as thereby interest at 7 per cent would be earned by the Sinking Fund.

In every case, care will be taken that all interest realised is credited to the Sinking Fund itself and that whatever amount is not invested more profitably in one of the above ways, is kept ~~ex~~ in the Mysore Government Savings Bank.

Bearing these points in view, the District Board has adopted the following resolution at its Meeting held on 24th April 1926:-

"Sinking Fund shall be invested in the Mysore Government Savings Bank, provided that when a rate of interest higher than 5 per cent can be secured, the amount at the credit of the Sinking Fund may in whole or in part be invested in the following manner also:- (a) In Mysore Government Securities or (b) in Fixed Deposits with the Bank of Mysore or (c) in Nanjangud Chamaraja nagar Railway bonds at a rate not above par and provided further that all ~~interest~~ interest accuring on such investments shall be credited to the same Sinking Fund."

In submitting herewith an extract from the proceedings of the District Board, I request that sanction of the Government may be kindly obtained to the Boards' resolution. A copy of the President's memo placedbbefore the Board is also enclosed.

I have the honour to be,

Sir,

Your most obedient servant,

President,
District Board of Mysore.

NANJANGUD CHAMARAJA NAGAR RAILWAY LOAN SINKING FUND.

As proposed by the District Board ~~of Mysore~~, the Government have approved in their order No. L.6532-3/LB106-24-9 dated 9th March 1925 that the sum of ₹31000, being the annual contribution to the Sinking Fund, be invested in the Mysore Government Savings Bank. But the Savings Bank rate of interest is only 5 per cent while the Fixed Deposits in the Mysore Bank fetch 6 per cent. Investments in Mysore Government Securities yield as much as 6¼ per cent. Sometimes it is even profitable to purchase the Railway -- Debenture Bonds themselves, whenever ~~it~~ they can be had for par or falls below par. By earning more than 5 per cent, the Sinking Fund can be built up much faster than 15 years and the Sinking Fund contribution by the District Board in the last few years of the term will become unnecessary in view of the extra interest earned. It is therefore proposed that the District Board do resolve as follows:-

"Sinking Fund shall be invested in the Mysore Government Savings Bank, provided that when a rate of interest higher than 5 per cent can be secured, the amount at the credit of the Sinking Fund may in whole or in part be invested ~~in the~~ in the following manner also:- (a) in Mysore Government Securities or (b) in Fixed Deposits with the Bank of Mysore or ~~i~~ (c) in Nanjangud Chamarajanagar Railway Bonds at a rate not above par and provided further that all interest accruing on such investments shall be credited to the same Sinking Fund".

Sd/ A.V. Ramanathan

President,
District Board, Mysore District

Copy

President
D.B. Mysore

12

Proceedings of the District Board of Mysore

passed at a Meeting held at Nanjangud at 8 A. M. p. m.

on Saturday the 24th May 1926. 1926

A. Ex. Officio Members.

1. The Deputy Commissioner, Mysore District (President).
2. The Executive Engineer, Mysore Division, Mysore.
3. The District Forest Officer, Mysore District, Mysore.
4. The Assistant Commissioner, Mysore Sub Division.
5. The District Medical Officer, Mysore District.
6. The District Inspector of Schools, Mysore District.
7. The Assistant Registrar of Co-operative Societies. Mysore Division.

B. Elected Members.

I. Elected by Taluk Boards.

8. Mr. T. S. Subba Rao, Landholder, Tippur, Yedatore Taluk.
9. „ Bore Gowda, Landholder, Saligrama, Yedatore Taluk.
10. „ G. Mallanna, Patel & Landholder, Nagavala, Mysore Taluk.
11. „ R. Devaiya, Shanbogue, Harohalli, Mysore Taluk.
12. „ Mir Raza Alli Sab, Merchant, Periyapatna, Hunsur Taluk.
13. „ Chowde Gowda, Patel, Chikka Hunsur, Hunsur Taluk.
14. „ M. Subba Rao, Contractor, Magge, Heggadadevanakote Taluk.
15. „ E. Krishnappa, Landholder, Nanjangud, Nanjangud Taluk.
16. „ P. Papanna, Merchant, Nanjangud, Nanjangud Taluk.
17. „ Channabasappa, Sowcar, Kabbahalli, Gundlupet Taluk.
18. „ Doraswamiengar, Landholder, Chamarajanagar.
19. „ Chowda Setty, Landholder, Chamarajanagar.
20. „ G. Venkataramana Setty, Merchant, T. Narasipur.
21. „ P. R. Lakshmi Naranappa, Landholder, Mugur.
22. „ Venkatappa alias Chikkanna, Merchant, Malavalli.
23. „ Chikka Subbaiya, Jamindar, Halagur, Malavalli Taluk.
24. „ G. Devojee Rao, Pleader, Mandya, Mandya Taluk.
25. „ K. Papaiya Chetty, Landholder, Mandya.

26. Mr. A. Narasimhachar, Landholder, Nayasingannahalli, Krishnarajapet Taluk.

27. „ Ayachita Narayana Dikshit, Inamdar, Gulehosahalli, Krishnarajapet Taluk.

28. „ B. Narasinga Rao, Pleader, Seringapatam.

29. „ Siddalinga Devaru, Landholder, Seringapatam.

30. „ Gundappa, Landholder, Devalapura, Nagamangala Taluk.

31. „ Mahamad Gows Sab, Landholder, Nagamangala Taluk.

II. Elected by Municipal Councils.

32. „ H. C. Dasappa, B.A., L.L.B., Mysore City Municipal Council.

33. „ H. V. Hanumantha Setty, Hunsur Municipal Council.

34. „ Kundi Huchaiya, Malavalli Municipal Council.

35. „ K. Venkatasamiyar, B. A., B. L., Nanjangud Ml. Council.

36. „ Dyavaiya, Landholder, Seringapatam, Municipal Council.

37. „ T. Venkataswamaiya, Landholder, Chamarajanagar.

III. Elected by Recognised Association.

38. „ B. K. Ramakrishnaiya, ~~B. A., B.~~ L., Bar Association, Mysore.

39. „ Lakshmipathaiya, Jaina Education Fund Association.

IV. Elected by Inamdars.

40. „ M. K. Krishna Rao, Inamdar, Pleader, Mysore.

C. Nominated Members other than Ex-Officio.

41. „ C. Narasimhaiah, B. A., B. L., Advocate, Mysore.

42. „ ~~M~~ S. Krishna Rao, B. A., L. L. B., Advocate, Mysore.

43. „ Captain V. L. Wynyard Wright, Manager, Hunsur works.

44. „ Reverend Father D'Silva, Catholic Priest, Doranahalli.

45. „ M. C. Linge Gowda, Landholder, Maddur, ~~Mysore~~ Taluk.

46. „ Mahamad Sait, Merchant, Doddapet, Mysore.

47. „ Devojee Rao, Landholder, Yedatore.

48. „ Biramkhan Sab, Landholder, Kiragaval, Malavalli Taluk.

All were present except Nos. 2, 8, 35, 39, 43 & 48. Vacant Nos. 1., 23 & 37.

xxxx xxxx xxxx xxxx

32. District Board President's Memo in the matter of investment of the sum of Rs.31000/- being the annual contribution to the 'Sinking Fund' of the Nanjangud - Chamarajanagar Railway.

Resolution:- A p p r o v e d.

xxxx xxxx xxxx xxxx

E x t r a c t."

K. N. N. Press, Mysore.

P r e s i d e n t,
District Board of Mysore.

G.R.S VI G 34

SUBJECT

Diary No. of letter replied to 6253

General and Revenue Secretariat

(LS.8)

the 192

Date of issue 3/8/26

Signed by H.T.K.J

May this be

i Printed

ii treated as a standing order ?

published in the Gazette,

English Part ?

translated ?

placed at the disposal of the press ?

published in the Gazette,

Kannada Part ?

Section LA

File No. 89-25

Serial No. 92

Proceedings of the Government of His Highness the Maharaja of Mysore.

Read—

Govt order No. L 6532-3/FB 106-24-9 dated 9-3-1925 sanctioning the proposal of the Mysore Govt Board for the formation of a "Sinking Fund" for the repayment of the Bangalore-Chamarajanagar Railway Debenture loan.

2. Letter No C 1445 dated 10th May 1926 from the Pt Sec Bd Mysore forwarding Sanction

Order Thereon No.

to the following Resolution in the Board's matter of investing the Sinking Fund of the M-C Ry.

~~Govt~~ They consider ~~is desirable~~ that the Sinking Fund accumulations should be under the control of the Board to buy up the Railway loans at par whenever the bond is available out of the Sinking Fund is approved.

If ellyse Govt Securities are available at suitable rates, so as to yield higher interest than what can be earned by deposit in the Savings Bank, there can be no objection to the Sinking fund being invested in them as proposed & adopted but such Sales may be got effected in consultation with the Comptroller & ellyse Govt.

~~As before the to be deposit~~ ~~for payment in Treasury~~ proposal of the Govt to deposit the Sinking Fund in the ellyse Bank. Govt ~~Consider it unnecessary as~~ My can not therefore ~~would sanction it~~ he

WD 2230—GPB—1,00,000—23-7-20

BB 23/7 Copy R & I dong

The Govt Board ellyse
Comptroller